

*“Securing Our Economic Freedom –
Empowering Small Business”*

**U.S. DEPARTMENT OF ENERGY
STRATEGIC PLAN FOR SMALL BUSINESS
FY 2007**



**Prepared by
Office of Economic Impact & Diversity
Office of Small & Disadvantaged
Business Utilization**

TABLE OF CONTENTS

I.	MISSION STATEMENT.....	Page 2
II.	APPLICABLE SMALL BUSINESS LEGISLATION.....	Page 2
III	GOVERNMENT ACCOUNTABILITY OFFICE (GAO)	Page 2
	RECOMMENDATIONS.....	Page 3
IV.	DOE's PROCUREMENT MODEL.....	Page 4
	Total Procurement Base for FY 05 Chart.....	Page 4
V.	SMALL BUSINESS GOALING.....	Page 5-6
VI.	SMALL BUSINESS ACHIEVEMENTS.....	Page 6
	Prime Contracting Small & Socioeconomic Achievement Chart Pg.	7
VII.	DEPARTMENTAL OBJECTIVE.....	Page 7
	B. DOE Mentor-Protégé Program.....	Page 8
	C. SBA Mentor-Protégé Program.....	Page 8
	D. OSDBU Database	Page 8
	E. Forecast of Contracting Opportunities.....	Page 8
	F. Outreach Activities.....	Page 9
	1. 8(a) Small Business Development Program.....	Pg 10-11
	2. Small Disadvantaged (SDB) Program.....	Pg 12-13
	3. Women-Owned Small Business Program.....	Pg 14-15
	4. Historically Underutilized Business Zone(HUBZone)SB.....	Pg 16-17
	5. Service Disabled Veteran Owned Small Business Program.....	Pg 18-19

I. MISSION

The Department of Energy's (DOE) overarching mission is to advance the national, economic and energy security of the United States; to promote scientific and technological innovation in support of that mission; and to ensure the environmental cleanup of the national nuclear weapons complex. DOE executes much of its mission through contracts with the private sector.

The mission of the Office of Small and Disadvantaged Business Utilization (OSDBU) is to manage the small and small disadvantaged business programs at DOE.

II. APPLICABLE SMALL BUSINESS LEGISLATION:

15 U.S.C. Section 644 (k) (1-10)

(k) Office of Small and Disadvantaged Business Utilization; Director

There is hereby established in each Federal agency having procurement powers an office to be known as the "Office of Small and Disadvantaged Business Utilization". The management of each such office shall be vested in an officer or employee of such agency who shall –

- (1) be known as the "Director of Small and Disadvantaged Business Utilization" for such agency,*
- (2) be appointed by the head of such agency,*
- (3) be responsible only to, and report directly to, the head of such agency or to the deputy of such head, except that the director for the Office of the Secretary of Defense shall be responsible only to, and report directly to, such Secretary or the Secretary's designee,*
- (4) be responsible for the implementation and execution of the functions and duties under this section and section 5 of this title which relate to such agency,*
- (5) identify proposed solicitations that involve significant bundling of contract requirements, and work with the agency acquisition officials and the Administration to revise the procurement strategies for such proposed solicitations where appropriate to increase the probability of participation by small businesses as prime contractors, or to facilitate small business participation as subcontractors and suppliers, if a solicitation for a bundled contract is to be issued;*
- (6) assist small business concerns to obtain payments, required late payment interest penalties, or information regarding payments due to such concerns from an executive agency or a contractor, in conformity with [chapter 39](#) of title 31 or any other protection for contractors or subcontractors (including suppliers) that is included in the Federal Acquisition Regulation or any individual agency supplement to such Government-wide Regulation*
- (7) have supervisory authority over personnel of such agency to the extent that the functions and duties of such personnel relate to functions and duties under this section and section [637](#) of this title,*
- (8) assign a small business technical adviser to each office to which the Administration has assigned a procurement center representative –*
- (9) cooperate, and consult on a regular basis, with the Administration with respect to carrying out the functions and duties described in paragraph (4) of this subsection, and*
- (10) make recommendations to contracting officers as to whether a particular contract requirement should be awarded pursuant to subsection (a) of this section, or section [637\(a\)](#) of this title or [section 2323 of title 10](#).*

The OSBDU at DOE reports directly to the Secretary/Deputy Secretary.

15 U.S.C.A. Section 644 (g) (2)

The head of each Federal Agency shall, after consultation with the Administration, establish goals for the participation by small business concerns, by small business concerns owned and controlled by service disabled veterans, by qualified HUBZone small business concerns, by small business concerns owned and controlled by women in procurement contracts of such agency. Goals established under this subsection shall be jointly established by the Administration and the head of each Federal agency and shall realistically reflect the potential of small business concerns...to perform such contracts and to perform subcontracts under such contracts.

Whenever the Administration and the head of any Federal agency fail to agree on established goals, the disagreement shall be submitted to the Administrator of the Office of Federal Procurement policy for final determination. For the purpose of establishing goals under this subsection, the head of each Federal agency shall make consistent efforts to annually expand participation by small business concerns from each industry category in procurement contracts of the agency.

The OSDBU manages the establishment of DOE's small business goals.

Section 6022 (a) and Section 6022 (c) (1) of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005, Pub.L.109-13.

“(a) Not later than September 30, 2005, the Department of Energy and the Small Business Administration shall enter into a Memorandum of Understanding setting forth an appropriate methodology for measuring the achievement of DOE with respect to awarding contracts to small businesses.” “(c) (1) Not later than September 30, 2005, the Administrator of the Small Business Administration, the Chief Counsel for Advocacy of the Small Business Administration, the Chairman of the Defense Nuclear Security facilities Safety Board, the Secretary of Energy and the Administrator of the National Nuclear Security Administration, shall jointly conduct a study regarding the feasibility of possible changes to management and operating contracts and other management contract within the Department of Energy to encourage new opportunities for small businesses to increase their roles as prime contractors.

The requirements of PL 109-13 have been completed and the OSDBU will be working closely with the SBA to ensure that the commitments made in the MOU and in the Study are adhered to.

III. GOVERNMENT ACCOUNTABILITY OFFICE (GAO) RECOMMENDATIONS

The GAO-05-459 report “Improved Oversight Could Better Ensure Opportunities for Small Business Subcontracting”

- 1) Direct the appropriate officials responsible for DOE's Small Business Offices and procurement organizations to ensure, through their regular oversight and review activities that the FMCs comply with DOE's March 2005 guidance on small procurement goals;*
- 2) Direct the appropriate officials responsible for the DOE's Small Business Office and procurement organizations to use, for internal management purposes, data on FMC's annual*

- small business subcontracting achievements calculated as a percentage of the obligated dollars FMCs received that year on their contract with DOE and*
- 3) *Take steps to strengthen oversight of the program including issuing guidance clarifying roles, responsibilities and necessary interactions among DOE small business office, program office and procurement officials responsible for managing the small business subcontracting program.*

All recommendations have been completed. See copies of “Acquisition Letters and the Standard Operating Procedure (SOP) on the OSDBU website. (www.energy.gov) – go to small business and then publications.) The OSDBU will make available these documents and provide training on the SOP to the procurement staff and the Small Business Program Managers (SBPM) – both at the department and contractor level. The OSDBU also plans to conduct random visits and reviews of prime contractors to ensure compliance with the subcontract plans provided by these prime contractors.

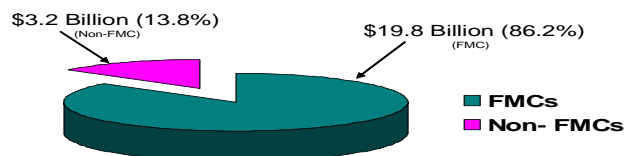
IV. DOE’S PROCUREMENT MODEL

The Facility Management Contracts (FMCs) represent the primary procurement model utilized at DOE for the operations of its laboratories and other facilities. These FMCs include management and operating (M&O) contracts, management and integration contracts, and environmental restoration management contracts.

Through the FMC contracting model, DOE directs the subject matter areas in which the contractors are focused and the overall performance objectives that DOE wants accomplished; however, contractors are relied upon to apply the best management, scientific, and business practices in carrying out that direction. These contracts range in the hundred millions and even billion-dollar range and are very complex and long-term.

The FMCs have historically represented between 85 percent to 90 percent of the department’s procurement dollars. In FY 2005, FMCs received \$19.8 billion or 82.6 percent of the total procurement base of \$23 billion. The remaining procurement dollars were awarded to a wide range of prime contractors; both small and large and totaled \$3.2 billion or 13.8 percent.

Total Procurement Base For FY 2005 was \$23.0 Billion



The long-term nature of these FMC and large non-FMC contracts limits flexibility in DOE's discretionary contracting budget. As compared to most other government agencies and departments, this contract model provides fewer opportunities for small businesses to submit offers for prime contract awards. Nevertheless, while operating under this model, DOE still manages to achieve a higher percentage of subcontracting with small businesses than many other government agencies and departments.

In a recently signed an agreement with SBA, DOE has agreed that it will review its FMC contracts for the ability to break-out work for small business prime contracts (<http://smallbusiness.gov> – reports link).

V. SMALL BUSINESS GOALING

15 U.S.C. Section 644 (g) requires the President to “annually establish government-wide goals for procurement contracts awarded to small business concerns”. This Section also requires that “notwithstanding the government-wide goal, each agency shall have an annual goal that presents, for that agency, the maximum practicable opportunity for small business concerns.” Listed below are both the government-wide statutory goals, the DOE goals as negotiated with SBA for FY 2007 as well as the process DOE will take in establishing its small business goals.

A. Small business goals:

Government-wide statutory small business goals

	Prime Contracts	Subcontracts
Small business	23 percent	40 percent
Small disadvantaged	5 percent	5 percent
Women-owned	5 percent	5 percent
HUBZone	3 percent	3 percent
Service-disabled veteran	3 percent	3 percent

DOE Small Business Goals

	Prime Contracts	Subcontracts
Small business	4.42 percent	41.30 percent
Small disadvantaged	1.69 percent	6.33 percent
Women-owned	.39 percent	5.76 percent
HUBZone	.11 percent	2.22 percent
Service-disabled veteran	.08 percent	1.25 percent

B. Goaling process:

Prime contracts:

The OSDBU will annually prepare and submit DOE's small business goals to the SBA no later than July of each year. The process includes the following steps:

1. Notification to Program Elements of the annual goaling workshop.
2. Development of a projected procurement base and budget for each Program Element by the Information Data Warehouse (IDW).
3. Conduct of the goaling workshop where all attendees are provided technical assistance on how to complete their respective goal.
4. Submittal of individual program element goals to the OSDBU office for review.
5. Development of department-wide goal based on aggregate of individual element goals.
6. Review and approval of department-wide goals by Deputy Secretary.
7. Submittal of annual small business prime goals to the SBA for their concurrence and approval.

Subcontracts:

Similar to the process of surveying the program offices to determine the prime contract goal, the OSDBU will conduct a survey of its prime contractors to determine what their small business subcontract goals will be. That process includes the following steps:

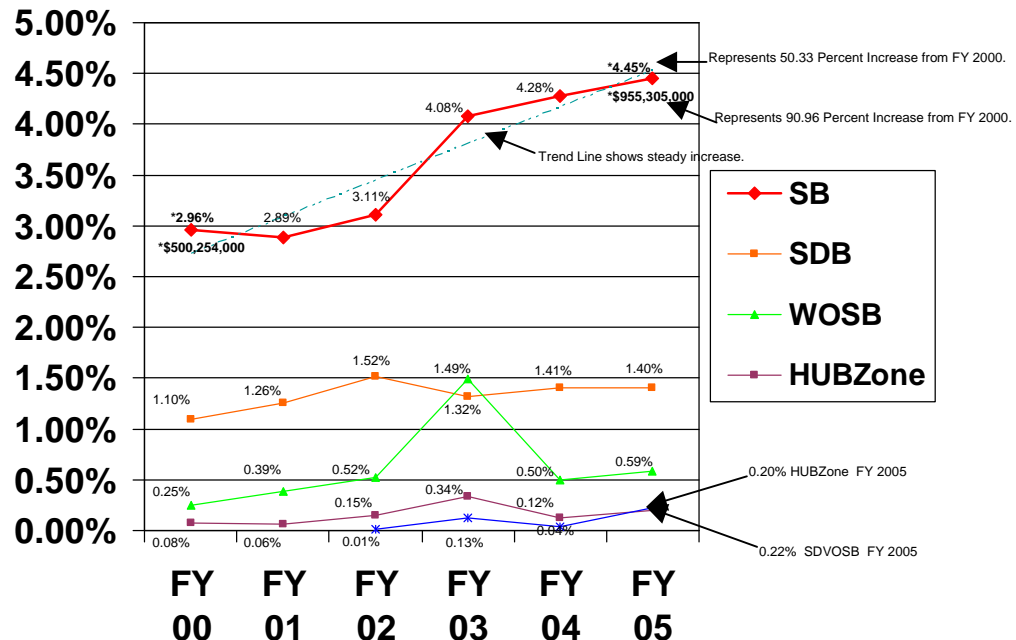
1. Annual survey of all prime contractors requesting their projected subcontracting goals.
2. Receipt and review by the OSDBU of individual prime contractors' proposed subcontracting goals to ensure that the levels are acceptable based on historical data. (NNSA provides the OSDBU with consolidated goals for its contractors)
3. Development of department-wide subcontract goals based on the input provided by the individual prime contractors.
4. Submittal of proposed department-wide goals to Deputy Secretary for review and approval.
5. Submittal of department-wide subcontract goals to the SBA for their review and acceptance.

VI. SMALL BUSINESS ACHIEVEMENTS:

The Department has continually increased its achievements as is evidenced in the below chart. This strategic plan outlines the steps to be taken to ensure that we

continue to increase our small business participation both at the prime and subcontract levels.

Prime Contracting Small and Socio-Economic Percent Achievement
From FY 2000 through FY 2005



*From FY 2000 through FY 2005, The SB Achievement Increased by 50.33% or by 90.96% in SB Dollar Obligations

VII. DEPARTMENTAL OBJECTIVE

To increase the participation of small business at all levels of Departmental procurements.

The OSDBU, as the office responsible for implementation of the Department's small business program, will work closely with the SBA, the DOE Office of Procurement, the DOE program offices and small business concerns to implement this objective. The following steps constitute a blueprint on how to achieve this objective:

1. Ensure program offices and procurement officers are briefed and fully aware of the small business legislative requirements including updates and changes in the requirements.
2. Provide technical assistance to: 1) Small Business Program Managers; 2) Small Business Concerns; and 3) Contracting Officers on small business goals and requirements.
3. Utilize the Advanced Planning Acquisition Team (APAT) process to review all proposed acquisitions over \$3 million for identification of prospective small business opportunities; both at the prime and subcontract levels as well as for

- review of the proposed acquisition process (sole source, full and open, set-aside, GSA schedule, GWAC, etc.)
4. Oversee the development/marketing of the DOE Contracting Forecast to ensure that contracting opportunities are current and accurate.
 5. Maintain and update the OSDDBU customized small business database for use by the program offices, procurement directors, small business program managers and DOE prime contractors.
 6. Meet with the SBA to follow up on the recommendations of the MOU and Study developed by DOE.
 7. Track and report on small business prime contract achievements on a quarterly basis.
 8. Track and report on small business subcontracting achievements on an annual basis.
 9. Conduct reviews of subcontract plans and validation of subcontract reports as directed by the GAO Report 05-459. This effort may be coordinated with the SBA pursuant to 13 CFR 125 – Small Business Government Contracting Programs.

In addition to the steps outlined above, the OSDDBU utilizes several tools outlined below that can/will help in reaching the stated objective of increasing the number of contracts and dollars going to small businesses both as prime and subcontractors.

A. DOE Mentor-Protégé Program

The Mentor-Protégé Program encourages prime contractors to work with the small and socioeconomic firms to develop the capabilities of these firms to perform as a subcontractor on DOE Contracts; especially high tech-complex work. The prime contractor may be provided evaluation credits if he proposes to have a mentor-protégé arrangement as part of his proposal. The mentor may award sole source subcontracts to its protégé.

B. SBA Mentor-Protégé Program

The SBA Mentor-Protégé Program provides for the establishment of relationships and joint ventures between an 8(a) small business and a large business that allows the new venture to remain small for the purpose of bidding a specific project. This arrangement will provide DOE with more “small” firms that are qualified to perform the type and size of contracts that DOE has available and will assist DOE in meeting its small business prime goals.

C. OSDDBU Database

The OSDDBU Database will help identify small businesses that have indicated an interest in doing work with DOE. This database is a customized list that can assist the DOE program offices and procurement staffers identify potential bidders both at the prime and subcontract levels.

D. Forecast of Contracting Opportunities

The Department-wide “Forecast of Contracting Opportunities” ensures that small businesses are aware of future contracting opportunities over \$100,000 (for both prime and subcontract opportunities) that are planned over the next three to five years and that may be set aside for small business participation. The forecast is available at www.smallbusiness.doe.gov/contract. The forecast can/should be used by the program offices when preparing their annual goals.

E. Outreach Activities

Conducting small business outreach activities to ensure that small businesses are aware of the contracting opportunities as well as how they can access these opportunities. Knowing about contracting opportunities and how to access these opportunities will result in more small business awards:

- Maintain a user-friendly OSDBU website
- Advertise in small business publications
- Conduct press conferences at events
- Conduct radio/television presentations
- Provide news articles to trade publications and newspapers
- Participate in small business conferences and workshops
- Conduct annual DOE National Small Business Conference
- Utilize the OSDBU “Small Business Advisory Team” network
- Provide “one on one” meetings with small businesses/program offices
- Conduct “in reach” training with DOE program and contract staff
- Hold regular Small Business Program Managers (SBPM) meetings

This Strategic Plan is developed to provide an overall guide for managing the small business program at DOE. In addition to establishing overall small business goals and programs for small businesses, the law requires that there be goals and programs to promote opportunities for the socioeconomic business groups listed below.

This plan contains separate sections for each socioeconomic group that describe the efforts DOE will take to work with these groups. Additionally, a point of contact is available to each socioeconomic group to help them navigate the procurement system at DOE.

1. 8(a) Business Development Program
2. Small Disadvantaged Business Program
3. Women-Owned Business Program
4. Historically Underutilized Business (HUB)Zone Program
5. Service Disabled Veteran-Owned Business Program

1. 8 (a) Small Business Development Program

Background:

The 8(a) Business Development (BD) program was established by section 8(a) of the Small Business Act, 15 U.S.C. § 637(a). The purpose of the 8(a) BD program is to assist eligible small disadvantaged business concerns compete in the American economy through business development. The Act authorizes SBA to reserve projects with up to a value of \$3 million (\$5 million for manufacturing) in contracts non-competitively to 8(a) certified firms. If a procurement is valued in excess of \$3 million (\$5 million for manufacturing) and two or more capable 8(a) firms can be so identified, the procurement shall be set aside for competition among 8(a) firms (see FAR 19.805-(1) & (2)).

Agency Strategy:

The below actions will be taken to provide opportunities for 8(a) certified businesses to significantly increase their contracting and subcontracting with the Department of Energy.

- Develop and promote a DOE/8(a) business policy that addresses both prime and subcontracting.
- Expand the current customized DOE small business database to incorporate and identify 8(a) businesses for use by program offices, procurement officers and prime contractors proposing acquisitions. (<https://hqlnc.doe.gov/Contacts>).
- Promote the utilization of the OSDBU database of small businesses.
- Promote and advise small businesses to utilize the Central Contractor Registration, website at <http://www.ccr.gov>.
- Incorporate 8(a) business achievements in the Secretarial Small Business Awards program.
- Include 8(a) business organization(s) as a part of DOE SB Advisory Team.
- Include an 8(a) business component in the Annual DOE Small Business Conference.
- Participate in conferences primarily dedicated to reaching 8(a) businesses.
- Designate an OSDBU staffer as the Point of Contact for the program.

Prime Contracting:

- a) Incorporate 8(a) business goals as part of the Department's overall SB prime contracting goals negotiated with the U.S. Small Business Administration (SBA) and in all achievement reports prepared by DOE.
- b) Incorporate achievements of 8(a) business goals as a performance element in the annual evaluation plan of the officials who influence the acquisition process.
- c) Develop justification(s) for 8(a) business sole source acquisition, as appropriate.
- d) Identify projects that could/should be set aside for participation by 8(a) firms.
- e) Include a prime contractor's past performance in contracting with 8(a) businesses as an evaluation factor in solicitations.

Subcontracting:

- a) Incorporate 8(a) business goals as part of the Department's overall SB subcontracting goals negotiated with the SBA.
- b) Provide all DOE prime contractors with the 8(a) subcontracting goals negotiated with SBA and require that these goals be included in all subcontracting plan.
- c) Continue to promote the 8(a) pilot program permitting prime contractors to sole source to an 8(a) business subcontractor.
- d) Encourage prime contractors to utilize 8(a) business concerns when subcontracting.
- e) Incentivize Mentor-protégé relationships with 8(a) business concerns.

Education, Training and Outreach

- a) Ensure all program element heads, acquisition personnel (including contracting officers) and small business managers are aware of the 8(a) business laws and regulations through the DOE Acquisition Letters, Flash announcements and other communications.
- b) Require departmental contracting personnel to complete courses on small business contracting.
- c) Direct small businesses to available technical assistance resources such as the Small Business Development Centers (SBDCs) and Procurement Technical Assistance Centers (PTACs) or to the General Services Administration (GSA).
- d) Meet with the SBA and 8(a) or small business associations on a quarterly basis to discuss progress on the utilization of 8(a) business concerns.

2. Small Disadvantaged Business (SDB) Program

Agency Strategy:

The below actions will be taken to provide opportunities for SDBs to significantly increase their contracting and subcontracting opportunities with the Department of Energy:

- Develop and promote a DOE/SDB policy that addresses both prime and subcontracting.
- Expand the current customized DOE small business database to incorporate and identify SDBs for use by program offices, procurement officers and prime contractors proposing acquisitions. (<https://hqlnc.doe.gov/Contacts>).
- Incorporate SDB achievements in the Secretarial Small Business Awards program.
- Include SDB organization(s) as a part of DOE SB Advisory Team.
- Include a SDB component in the Annual DOE Small Business Conference.
- Participate in conferences primarily dedicated to reaching SDB firms.
- Designate an OSDBU staffer as the Point of Contact for the program.

Prime Contracting:

- a) Incorporate SDB goals as part of the Department's overall SB prime contracting goals negotiated with the U.S. Small Business Administration (SBA) and in all achievement reports prepared by DOE.
- b) Incorporate achievements of SDB goals as a performance element in the annual evaluation plan of the officials who influence the acquisition process.
- c) Include a prime contractor's past performance in contracting with SDB's as an evaluation factor in solicitations.

Subcontracting:

- a) Incorporate SDB goals as part of the Department's overall SB subcontracting goals negotiated with the SBA.
- b) Provide all DOE prime contractors with the SDB subcontracting goals negotiated with SBA and require that these goals be included in all subcontracting plans.
- c) Encourage prime contractors to utilize SDBs when subcontracting.
- d) Incentivize Mentor-protégé relationships with SDB concerns.

Education, Training and Outreach:

- a) Ensure all program element heads, acquisition personnel (including contracting officers) and small business managers are aware of the SDB laws and regulations through the DOE Acquisition Letters, Flash announcements and other communications.
- b) Require departmental contracting personnel to complete courses on small business contracting.

- c) Direct small businesses to available technical assistance resources such as the Small Business Development Centers (SBDCs) and Procurement Technical Assistance Centers (PTACs) or to the General Services Administration (GSA).
- d) Meet with the SBA and SDB associations on a quarterly basis to discuss progress on the utilization of SDB concerns.

3. Women-Owned Small Business Program

Background:

Although there is no current set-aside authority for WOSBs, DOE has separate WOSB goals and makes every effort to encourage their participation in DOE procurements. DOE and the U.S. Small Business Administration (SBA), are working together to help level the playing field for women entrepreneurs.

Agency Strategy:

The below actions will be taken to provide opportunities for women-owned firms to significantly increase their contracting and subcontracting opportunities with DOE.

- Develop and promote a DOE/WOSB policy that addresses both prime and subcontracting.
- Expand the current customized DOE small business database to incorporate and identify WOSBs for use by program offices, procurement officers and prime contractors proposing acquisitions. (<https://hqlnc.doe.gov/Contacts>).
- Promote the utilization of the OSDBU database of small businesses and the Central Contractor Registration website at: <http://www.ccr.gov>, and Women's Business Associations, some of which are located at the SBA website: <http://www.sba.gov> in conducting market research to identify WOSBs.
- Incorporate WOSB achievements in the Secretarial Small Business Awards program.
- Include WOSB organization(s) as a part of DOE SB Advisory Team.
- Include a WOSB component in the Annual DOE Small Business Conference.
- Participate in conferences primarily dedicated to reaching WOSB firms.
- Designate an OSDBU staffer as the Point of Contact for the program.

Prime Contracting:

- a) Incorporate WOSB goals as part of the Department's overall SB prime contracting goals negotiated with the SBA and in all achievement reports prepared by DOE.
- b) Incorporate achievements of WOSB goals as a performance element in the annual evaluation plan of the officials in the acquisition process.
- c) Include a prime contractor's past performance in contracting with women-owned businesses as an evaluation factor in solicitations.

Subcontracting:

- a) Incorporate WOSB goals as part of the Department's overall SB subcontracting goals negotiated with the SBA.
- b) Provide all DOE prime contractors with the WOSB subcontracting goals negotiated with SBA and require that these goals be included in all subcontracting plans.
- c) Encourage prime contractors to utilize WOSB concerns when subcontracting.

- d) Encourage facility management contractors to provide for an evaluation criterion that reflects a preference in the award of subcontracts to WOSBs.
- e) Incentivize Mentor-protégé relationships with WOSB concerns.

Education, Training and Outreach:

- a) Ensure all program element heads, acquisition personnel (including contracting officers) and small business managers are aware of the WOB laws and regulations through the DOE Acquisition Letters, Flash announcements and other communications.
- b) Require departmental contracting personnel to complete courses on small business contracting.
- c) Direct small businesses to available technical assistance resources such as the Small Business Development Centers (SBDCs) and Procurement Technical Assistance Centers (PTACs) or the General Services Administration (GSA).
- . d) Meet with the SBA and Women's business associations on a quarterly basis to discuss progress on the utilization of WOSB concerns.

4. Historically Underutilized Business Zone (HUBZone) Small Business Program

The HUBZone Empowerment Contracting Program was enacted into law as part of the Small Business Reauthorization Act of 1997. The program falls under the auspices of the SBA which regulates and implements the program and:

- Determines which businesses are eligible to receive HUBZone contracts.
- Maintains a listing of qualified HUBZone small businesses that Federal agencies can use to locate vendors.
- Adjudicates protests of eligibility to receive HUBZone contracts.
- Reports to the Congress on the program's impact on employment and investment in HUBZone areas.

If there is a reasonable expectation that proposals will be received from two or more small businesses certified by the SBA as HUBZone concerns and the award would be made at a fair market price, FAR 19.1305(b) requires that the award be set aside for HUBZone small business concerns. Contracting Officers may award contracts to HUBZone small business concerns on a sole source basis without considering small business set-asides provided the acquisition meets the requirements of FAR 19.1306(a).

Agency Strategy:

The below actions will be taken to provide opportunities for HUBZone businesses to significantly increase their contracting and subcontracting opportunities with DOE.

- Develop and promote a DOE/HUBZone policy that addresses both prime and subcontracting.
- Expand the current customized DOE small business database to incorporate and identify HUBZone firms for use by program offices, procurement officers and prime contractors proposing acquisitions. (<https://hqlnc.doe.gov/Contacts>).
- Promote the utilization of the OSDBU database of small businesses and the Central Contractor Registration website at: <http://www.ccr.gov>, and associations that encourage government contracting of HUBZone firms, and in conducting market research to identify HUBZone firms.
- Incorporate HUBZone achievements in the Secretarial Small Business Awards program.
- Include HUBzone organization(s) as a part of DOE SB Advisory Team.
- Include a HUBZone component in the Annual DOE Small Business Conference.
- Participate in conferences primarily dedicated to reaching HUBZone firms.
- Designate an OSDBU staffer as the Point of Contact for the program.

Prime Contracting:

- a) Incorporate HUBZone goals as part of the Department's overall SB prime contracting goals negotiated with the SBA and in all achievement reports prepared by DOE.
- b) Incorporate achievements of HUBZone goals as a performance element in the annual evaluation plan of the officials who influence the acquisition process.
- c) Develop justification(s) for HUBZone sole source acquisition, as appropriate.
- d) Identify projects that could/should be set aside for participation by HUBZone firms.
- e) Include a prime contractor's past performance in contracting with HUBZone firms as an evaluation factor in solicitations.

Subcontracting:

- a) Incorporate HUBZone goals as part of the Department's overall SB subcontracting goals negotiated with the SBA.
- b) Provide all DOE prime contractors with the HUBZone subcontracting goals negotiated with SBA and require that these goals be included in all subcontracting plans.
- c) Conduct a pilot program permitting prime contractors to sole source to a HUBZone subcontractor.
- d) Encourage prime contractors to utilize HUBZone concerns when subcontracting.
- e) Encourage facility management contractors to use HUBZone set-aside and sole source procurement techniques under conditions similar to federal prime contracts.
- f) Incentivize Mentor-protégé relationships with HUBZone concerns.

Education, Training and Outreach:

- a) Ensure all program element heads, acquisition personnel (including contracting officers) and small business managers are aware of the HUBZone laws and regulations through the DOE Acquisition Letters, Flash announcements and other communications.
- b) Require departmental contracting personnel to complete courses on small business contracting.
- c) Direct small businesses to available technical assistance resources such as the Small Business Development Centers (SBDCs) and Procurement Technical Assistance Centers (PTACs) or the General Services Administration (GSA).
- d) Meet with the SBA and associations involving HUBZone small businesses on a quarterly basis to discuss progress on the utilization of HUBZone concerns.

5. Service Disabled Veteran Owned Small Business (SDVOSB) Program

Background:

On October 20, 2004, President George W. Bush signed Executive Order 13360 designed to strengthen opportunities in Federal contracting for service-disabled veteran-owned businesses (SDVOSB). Pursuant to such Executive Order, the U.S. Department of Energy (DOE) has designated the Director of the Office of Small and Disadvantaged Business Utilization to develop and implement the Department's Strategic Plan.

The DOE FY 2005 Strategic Plan provided a strategy for increasing contracting and subcontracting opportunities with Service Disabled Veteran- Businesses (SDVBs). This strategy was reviewed by the U. S. Small Business Administration (SBA) and some of the steps in the strategy were included as best practices on the SBA website. SBA provided DOE with some recommendations to strengthen its Strategic Plan for SDVBs and these recommendations have been added each year to DOE's strategy.

Agency Strategy:

The below actions will be taken to provide opportunities for service-disabled veteran-owned businesses to significantly increase their contracting and subcontracting with the Department of Energy:

- Update the DOE/SDVOSB policy that addresses both prime and subcontracting.
- Expand the current customized DOE small business database to incorporate and identify SDVOSB's for use by program offices, procurement officers and prime contractors proposing acquisitions. (<https://hqlnc.doe.gov/Contacts>).
- Promote the utilization of the Department of Veteran Affairs' (VA) website at <http://VIP.vetbiz.gov/search/default.asp> and the Association of Service Disabled Veterans' (ASDV) website at <http://www.asdv.org> in conducting market research to identify SDVOSBs.
- Incorporate SDVOSB achievements in the Secretarial Small Business Awards program.
- Include SDVOSB organization(s) as a part of DOE SB Advisory Team.
- Include a SDVOSB component in the Annual DOE Small Business Conference.
- Participate in conferences primarily dedicated to reaching SDVOSB firms.
- Designate an OSDBU staffer as the Point of Contact for the program.

Prime Contracting:

Incorporate SDVOSB goals as part of the Department's overall SB prime contracting goals negotiated with the SBA and in all achievement reports prepared by DOE.

- a) Incorporate achievements of SDVOSB goals as a performance element in the annual evaluation plan of the officials who influence the acquisition process.
- b) Develop justification(s) for SDVOSB sole source acquisition, as appropriate.
- c) Include a prime contractor's past performance in contracting with SDVOSB's as an evaluation factor in solicitations.

Subcontracting:

- a) Incorporate SDVB goals as part of the Department's overall SB subcontracting goals negotiated with the SBA.
- b) Provide all DOE prime contractors with the DOE subcontracting goals negotiated with SBA and require that these goals be included in all subcontracting plans.
- c) Establish an SDVB pilot program permitting prime contractors to sole source to an SDVB as a subcontractor.
- d) Encourage prime contractors to utilize SDVB concerns when subcontracting.
- e) Encourage Mentor-protégé relationships with SDVB concerns.

Education, Training and Outreach:

- a) Ensure all program element heads, acquisition personnel (including contracting officers) and small business managers are aware of the SDVB laws and regulations through the DOE Acquisition Letters, Flash announcements and other communications.
- b) Require all departmental contracting personnel to successfully complete, as needed, the SDVB utilization on-line course provided by the Defense Acquisition University (DAU).
- c) Provide SDVB concerns with technical assistance to assist them in getting certified by the SBA, as 8(a) or HUBZone or in getting on the General Services Administration (GSA) federal supply schedules.
- d) Meet with the SBA and Association of Service Disabled Veterans on a quarterly basis to discuss progress on the utilization of SDVB concerns.